

## A THUMBNAIL HISTORY OF NUMISMATICS PERTAINING TO QUEENSLAND

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Numismatics, as a hobby, is referred to as "coin collecting" but I feel it should be given its correct title because it is more a science than a hobby. It embraces the search for and study of specimens plus the diffusion of knowledge on coins, medals, notes and tokens in all their many and varied forms.

With reference to the early history of Queensland and the Colony of New South Wales before that, it is unfortunate but nevertheless true that writers of the times almost completely overlooked currency problems, giving but scant reference to and information about the state of affairs of the circulating media of the era. Every established fact shows that very little English money was used.

This paper is written with a view to recording in brief some of the problems encountered with "currency" from the earliest days of settlement in Queensland up until Federation in 1901 and the issuing of Australia's own Commonwealth of Australia £.s.d. currency of 1910-11. This in turn gave over to decimals in 1966.

The events will be arranged as near as practicable in chronological order. To give a true picture I must take you back to the beginning — the mother country, England.

James Cook as a boy ran away to sea. It is said this desire was fired after hearing tales put forth when young James asked about a South Seas Company 1/- piece he had spied in the till of the drapery store in which he was working at the time.

Since 1542 many navigators had discovered various parts of Australia but it was Lieutenant James (later Captain) Cook who did the job properly in 1770.

## BRITAIN'S WORN COINAGE

It was unfortunate in many ways that New South Wales was settled during a period when the English currency was itself in such a deplorable condition as a result of long wars and delayed legislation.

Although George III came to the throne in 1760, no coins were struck until 1763 when only £100 of one shilling pieces were struck for the Earl of Northumberland to take to Dublin. It was not until 1787 that approximately £55,500 worth of sixpences and shillings were struck. To give an example of the worn state of the coinage in 1787, 78 shillings were required to make up one pound tray instead of 62 as issued by the Mint and 194 sixpences instead of 124. Ten years later 82 shillings and 200 sixpences were required to make up the weight mentioned. Here we saw Gresham's Law applied, i.e. bad coinage driving out good. By this we mean that as soon as the new and considerably heavier coinage appeared, it was melted down almost as quickly as it was put into circulation.

In 1787 the First Fleet set out for the new Colony arriving thirty-six weeks later with everything thought of to set up a settlement designed to be self-supporting. Everything, that is, except a thought towards a currency system. The early settlers arrived to find that the Aborigines were a moneyless people who had established a kind of network of trade routes by which an exchange of commodities was arranged and effected.

The only money in the Colony appears to have been that brought out by the settlers themselves in their pockets and purses.

In England from whence they came, regal crown pieces had disappeared and half-crowns were rarely seen. The remaining silver coins had become defaced and badly worn and clipped. Smaller money existed only in copper half-pence and farthings, none of which had been coined since 1775, resulting in an ever-increasing circulation of traders' tokens and privately issued paper money.

Clipping and filing pieces off coins for the precious metal they contained and forging of silver and gold was most prevalent at the time even though stern penalties were imposed. It is written that one Christmas a reigning monarch, to deter forgers and the like, had the right hands cut off some hundreds of guilty subjects. Even so, this did not deter those bent on forging.

### TRADING BY BARTER

The earliest dealings of the settlers, one with another, were in English coinage which they had brought out, while such trading as was done between whites and blacks was conducted by barter. The first instance of this took place in 1791 at Parramatta when settlers exchanged rice and bread for fish.

Soon, owing to the paucity of specie, it became necessary for the settlers themselves to do business by methods not entirely dissociated from barter.

In 1792 England sent out a quantity of Spanish dollars which were an almost international currency. They had a value of about 5/- each. However, if this money and that brought in the pockets of the settlers could have stayed in the Colony, all may have been well, but specie was needed to pay for stores brought by merchant ships. Thus coin was leaving the Colony as fast as it came.

Things got so bad that a reward of 30 pound of flour was offered for the capture of a bushranger. Admission to a theatre in Sydney in 1796 was 1/- in sterling money, or flour, meat or spirits at the market price.

As New South Wales was a British Colony, naturally English money was to be the circulating medium. But as coin was so scarce, coins of many countries were accepted and used, the value of the pieces tendered being the current value of metal they contained.

Private notes of hand or I.O.U's. were also prevalent for values of 3d. upwards.

Frequent and earnest requests to England for help with coinage brought little result. She too was having troubles currencywise, not the least of which was the Napoleonic War.

To remedy the plight somewhat the Bank of England experimented by countermarking the easily obtained Spanish Dollars or 8 reales (pieces of 8) with the King's head in a sunken oval or octagonal compartment and made them current at 5/-. This action — stamping George III's head on the neck of Charles IV of Spain soon gave rise to the ditty — "The Bank of England to make its dollars pass, stamped the head of a fool on the neck of an ass".

These counterstamped dollars and half-dollars did not circulate long and were removed because of the spate of forgeries that soon appeared.

In 1797 an attempt was made to relieve the shortage of small change. Five hundred tons of 2d. and 1d. pieces weighing 2 oz. and 1 oz. respectively were struck for the Govern-

ment by Mathew Bolton at the Soho Mint in Birmingham. Because of their weight, especially the 2d., they were most unpopular. The 1d. of 1797 was the first to be struck in copper. It was not until 1806 that a reasonable supply of 1d.,  $\frac{1}{2}$ d. and  $\frac{1}{4}$ d. were struck, and then only for two years.

Incidentally, the farthing of 1797 was the first English coin to have its value spelt out on it.

In 1804 the Bank of England, again using the Spanish 8 reale coin, had all or almost all of the legend on the original coin removed and its own dies for 5/- piece stamped on the coin. The Bank also issued tokens in silver of values 3/-, 18d. and 9d.

### NOTES REPLACE COIN

Though coins of many countries were used in the new Colony, with such a limited supply available and with barter having such obvious limitations as a form of use (produce available as barter not always being acceptable to a second party), private notes of hand, promissory notes or I.O.U's came into general usage. Before long these largely took the place of coin.

By 1800 the following methods of payment were used in the Colony:

- The Store Receipt, issued by the Commissariat in exchange for its purchases within the Colony;
- Bills on the British Treasury, used for payment for goods purchased by the Government from overseas;
- Barter — the exchange of commodities for labour or other produce;
- English shillings and copper pennies. (The latter weighing 1 oz. each, were known as "cartwheels" and were given a local value of twopence. They were the first regal copper pennies.)
- Spanish dollars in small quantities;
- Private promissory notes;
- A few British and Irish bank notes;
- A number of foreign coins from many parts of the world, including Portuguese johannas, Indian rupees, Ceylon pagodas, Dutch guilders, gold mohurs and ducats.

All the aforementioned coins found their way to New South Wales and were pressed into hard usage, at least until a ship arrived. With such a wide range of specie circulating, Governor King in 1800 issued a proclamation

which fixed the values at which certain coins were to circulate. In brief the list is as follows:

An English Guinea	£1.2.0d.
A Johanna	£4.0.0d.
A Half Johanna	£2.0.0d.
A Ducat	9.6d.
A Gold Mohur	£1.17.6d.
A Pagoda	8.0d.
A Spanish Dollar	5.0d.
A Rupee	2.6d.
A Dutch Guelder	2.0d.
An English Shilling	1.1d.
A copper coin of 1 oz.	2d.

It will be noted that with the exception of the last-mentioned copper coin of 1 oz., which was the current penny, the value was fixed near that of the intrinsic value of the piece.

It must be remembered here that as Australia in general, and Queensland in particular, did not have a universal coinage until 1910-11, all of the above-mentioned pieces would or could have been used in the early days of our State.

Private paper money had a large circulation between settlers but the captains of trading vessels would accept only Government paper money or actual coin in payment for goods.

### RUM AS CURRENCY

Strangely enough there was one commodity which soon became the chief medium of change — RUM. There seemed to be no article, not even a wife (as has been recorded) which was not at one time sold for rum. The Government quite openly traded in rum currency, employing it as a reward for the apprehension of two escaped convicts. The payments for labourers engaged in the erection of the first church in 1793 were made in spirits, pork, flour, tobacco, beef, tea and dollars.

The old Sydney Hospital built in 1816 was built by a party of three who in turn were given the right to purchase spirits for four years to the extent of 5,000 gallons. Not only did they supply the publicans but they opened up a wet canteen on the site of their own work, and it is written that rum for which they paid 10/- per gallon was sold at £2.17.6d. The Government made some abortive attempts to prohibit the rum currency but it was only time and supply of specie much needed that brought this, the “rummiest of all currencies”, to a stop.

By proclaiming that the abovementioned coins were valued slightly higher than their worth outside Australia, it was thought that the exportation of such coins would be prevented. What actually happened was that the wily ships' captains put up their prices to cover the inflated value of local coinage and so the proclamation was ineffective on that point. Further, the proclamation was unpopular from the point that there was nothing to prevent the coins coming into the hands of a few. The result was a return to a kind of barter and the exchange of paper. This paper money of the merchants was based on the Spanish dollar and was known, together with their coins as "currency", while English coins were called "Sterling".

Promissory notes, however, had many disadvantages, at least to the honest citizen. They were issued by all and sundry from the Governors of the Colony to the meanest convict. They were issued without collateral, in fictitious names and even forged, so their acceptance was certainly not without risk. Usually the storekeepers accepted notes at a discount or under their face value in the hope that they might so offset a possible loss. There were many unscrupulous businessmen who took advantage of this practice to discount. Typical would be a man who issued promissory notes to a considerable amount for the purchase of goods then had a rumour put about that his financial position was not sound.

Such rumours spread fast and were soon known by all, with the result that there was a rush to get rid of these notes at whatever price could be obtained. In the circumstances, there would not be many buyers for the notes and the issuer's agents would buy the notes back at as much as 75% below face-value, thus securing a handsome saving for the issuer on his original purchases.

Steps to prevent abuses to which an uncontrolled private issue of paper gave rise were many. An Act of 1807 was passed that all notes should be made payable in cash at the value of current coin.

Promissory notes were issued for values as low as 3d. and made payable in Spanish dollars at 5/- each.

### THE HOLEY DOLLAR

Plans for some definite Australian coins were made in November 1812, when the warship *Samarang* arrived with £10,000 worth of Spanish dollars.

On 1 July 1813, Governor Macquarie ordered that a small piece of silver be cut from the centre of each dollar,

that the ring be stamped "New South Wales" on one side and "Five Shillings" on the other, the centre portion to be effaced and given a crown with "New South Wales" on one side and "Fifteen Pence" on the other.

These two pieces, known as the Holey Dollar and Dump, were first issued in 1814 and were Australia's first official coinage. In 1823 the values of the Holey Dollar and Dump fell to 4/- and 1/- respectively. By the same proclamation the Holey Dollars and Dumps were declared current, promissory notes under 2/6 were abolished and legal tender of copper was fixed at 15d.

In 1817 the first private bank in Australia was established — the Bank of New South Wales — and two years later this institution issued notes to the value of 2/6, 5/-, 10/-, £1, £5 and £10 and for some years formed the principal and most stable of the paper money thus circulating. The same year it was announced that as from 1 January 1818, copper would be accepted to legal tender of £5.0.0.

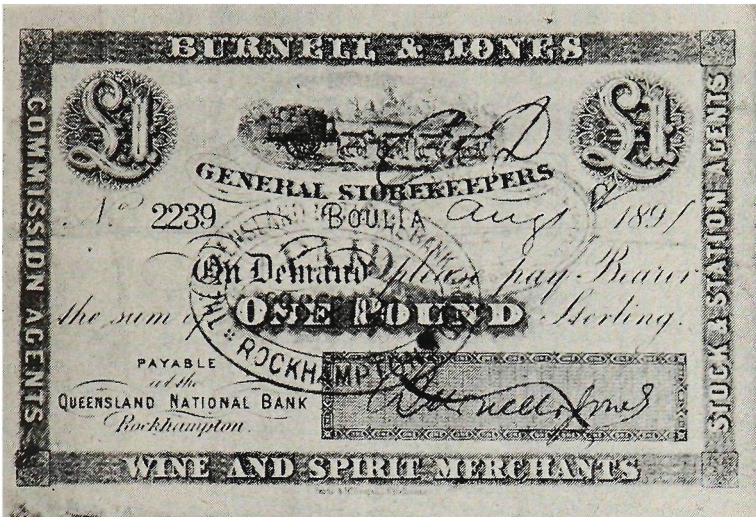
The establishment of a bank did not, however, provide the answer to the shortage of currency, its note issue being small in comparison with that of the Commissariat. By 1822 in fact, owing to a further large import of Spanish dollars, the dollar had become the basic currency of the Colony. The Bank of New South Wales issued notes to the values of \$1, \$2, \$5, \$10, \$20 and \$50.

Thus Australia had decimals for the *first time*. All contracts were written in dollars and cents, and coinage was valued likewise from 1824 to 1826 under Governor Brisbane. After this time sterling prevailed, that is, until the change-over to decimals in 1966.

### TRADESMEN'S TOKENS

By no means were small denomination coins plentiful. The proclamation forbidding the issue or use of paper below 2/6 was of no help either. So in 1849 Mr. Councillor George Annand of Melbourne, to obviate the extreme inconvenience occasioned by the scarcity of copper coin, particularly by the grocers who had not infrequently to pay a premium of from 6d. to 1/- a pound for their Saturday night's supply, had coined at Birmingham a large supply of penny pieces with the figure of Britannia on one side and on the other "Annand, Smith and Co., Family Grocer, Melbourne".

This then was the first of many issues of tradesmen's tokens in Australia. The values were 1d. and ½d., and New South Wales alone had issues of 3d. also. Soon the abundant



CALABASH; issued by a Boullia store in 1891.

issues became a nuisance and from 1863 when Victoria declared them illegal after having received ample supplies of regal coinage, State by State they were phased out until Western Australia was the last to have them in 1878.

After 1860 the extensive and lighter bronze issue from the Imperial Mint soon replaced the cumbersome issues previously in use. Many tokens were taken by the Government in exchange for the new coins and many more melted down for the metal they contained which, in general, was pure in quality.

In 1851 a new wave of prosperity came with the finding of gold in Victoria. Soon almost all of Australia was struck by gold fever. Farms were left and ships were without crews as all hands left for the goldfields. Everywhere people had lust in their eyes and hearts. South Australia was the worst hit by the loss of man-power.

Before long urgent steps were taken in that State to set up a mint to coin the gold-dust into some readily acceptable form. First, ingots were made each having their weight and fineness stamped on them, but in reality they were little better than bags of gold-dust except that they did not have to be weighed. Their values, however, still had to be worked out.

In 1852, in the absence of the Queen's approval and due to the urgency of the situation, gold £1 tokens or coins were made at the South Australian Government Assay Office. This issue did fill an urgent need and was duly accepted.



In 1855 the Sydney Mint, a branch of the Royal Mint, was opened and commenced official striking of gold sovereigns and half-sovereigns, using the locally mined gold-dust. These were similar in design to the British pieces but had a small mint mark, a minute "S" above the date which signified their origin. The Melbourne Mint opened in 1872 while the one in Perth did not commence coining gold until 1899. Sovereigns ceased to be made for Australia in 1931.

### POSITION IN QUEENSLAND

Soon after gold was found, the inhabitants of the Moreton Bay Colony settlement began agitating for separation. This finally came in 1859. Prior to separation the inhabitants of the soon-to-be-separated Colony experienced the same shortages of coin and notes as did New South Wales and for that matter elsewhere in Australia.

Upon separation it is written there was but 7½d. in the State's coffers — not a lot of capital with which to go our own way.

Notes circulating would have been, in the main, those of the Bank of New South Wales, one type of which had "Moreton Bay" printed in large letters on the border and had been used prior to separation.

As regal coinage was becoming more plentiful, by the early 1860's tradesmen's tokens were seen less and less. Those that are known to have issued tokens in Queensland were — Bell and Gardner, Wm. Brookes, W. and B. Brookes, J. W. Buxton, Flavelle Bros., T. H. Jones, Larcombe and Co., Merry and Bush, T. F. Merry, D. T. Mulligan, J. Pettigrew, J. D. Sawyer and Stewart and Hemmant.

These, along with the prevalent Dr. Holloway's tokens and numerous southern issues, would have made up a goodly part of any business house's till.

For the first few years after separation things went well for the new State but the tide turned when in 1866 the Bank of Queensland crashed. This Bank was founded in 1862 primarily to help finance the new colony's farming activities. As Queensland began to grow more rapidly, the Government began to draw upon these local banks to finance public works such as building railways, roads and bridges.

These small loans were not really sufficient for the Government's needs so the Queensland Government tried to raise a loan of £100,000 in London — a considerable sum in those days, almost equal to the total deposits in the Bank of Queensland. A loan was eventually negotiated in 1866 but before the money could be transferred to Australia the

great banking crisis caused by the failure of Overend, Gurney and Co. Ltd. struck the City of London and the loan was cancelled.

The cancellation of this loan caused a crisis in Queensland as the Government was already committed to many projects, and the local banks were incapable of financing them to a large extent. Banks which held Government stocks and bonds as security were regarded as investment risks.

During the winding up of the Bank, complications arose but eventually creditors were paid in full.

The notes known to have been issued by this Bank were of the values 10/- and £3, though it is felt that there may have been others. One interesting feature of these notes was the design. This was planned so that the notes could be cut in half and each part sent through the post separately then re-matched at the other end, thus minimising the risk of loss in transit.

With the failure of the Bank of Queensland Ltd., a real gloom spread over the State as wide-spread unemployment worsened.

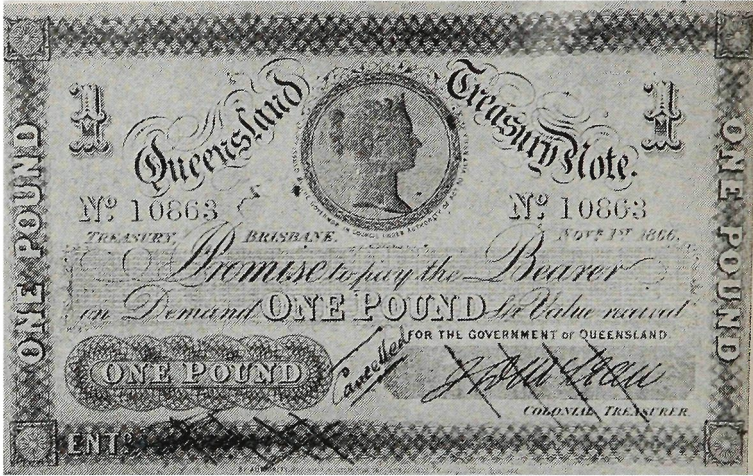
### **SAVED BY GYMPIE GOLD**

The Government, hoping to stem the tide a little at least, issued in 1866 Treasury Notes bearing interest. But it was the discovery of gold in payable quantities at Gympie in 1867 by James Nash that saved the day for Queensland. Soon the gloom was forgotten and prosperity again returned. The Queensland National Bank was founded in 1872 and, being run on sound lines, was eventually absorbed by the National Bank in 1947.

The next Bank to be formed in the State was the Royal Bank of Queensland in 1885 which issued notes of £1, £5, £10, £20 and £50. This was followed in 1888 by the Bank of North Queensland which issued notes of the same values. These two Banks merged in 1917 to form the Bank of Queensland which in turn was absorbed by the National Bank of Australasia in 1922.

The year 1893 began badly with a cyclone passing over Brisbane, followed soon after by the greatest flood yet recorded. A second and third flood followed in February, adding further trouble to the financial position. In April and May many banks suspended payments.

By an Act passed in June 1893, the Queensland Government became the sole issuing authority of notes in this State and remained so long after Federation. Notes issued were for £1, £5, £10 and £20.



QUEENSLAND TREASURY NOTE, One Pound; issued in 1866.

From 1910 the Government of Queensland chose to overprint the £1 notes of the Queensland National Bank with the words *Government of Queensland/Treasury Note payable on Demand/Hugh M. Nelson/Colonial Treasurer/Treasury Brisbane/2nd June, 1893*. This was the only private bank note of Queensland so treated.

The next big event in numismatic history came as a result of Federation which was effectual as from 1 January 1901. Henceforth the Commonwealth of Australia Treasury took over the responsibility of providing the necessary currency although it was a good ten years before any real evidence appeared.

Meanwhile the coinage of Great Britain continued to circulate in Queensland and the rest of Australia. The coins of monarchs, in order of reign, that would have been used and even today are sometimes found are those of George III, George IV, William IV, Victoria, Edward VII and George V.

From 1910 (copper) and 1911 (silver) coins were produced with the familiar and distinctive Commonwealth of Australia type reverses. Gold coins were also widely used. Indeed, early Commonwealth bank notes for 10/- bore the wording "half sovereign" to tell the unenlightened that the note was equal to half a sovereign in exchange.

Private bank notes were widely used up until 1910 when the Commonwealth took over the right to issue notes and coinage. However, as the Commonwealth charged a tax of 10% on all private bank notes issued after that date, the

practice was unprofitable to the banks and soon ceased.

In the interim, until new notes were designed and printed, existing and unused bank notes were superscribed by the Government and made legal tender. These saw a small usage from 1910-13 approx. It is of interest to relate that these notes bore the inscription "The Treasurer of the Commonwealth of Australia promises to pay the Bearer . . . (amount) . . . in gold coin on demand at the Commonwealth Treasury at the seat of government" or "on demand at the Head Office of the Commonwealth Bank of Australia".

From about 1927 onwards, the notes read "This note is legal tender for . . . (value) . . . in the Commonwealth and in all Territories under the control of the Commonwealth".

I am sorry to say if you have an old note and try to cash it in for gold, you will be disappointed.

Australian notes from 1910 onwards are still currency and may be cashed in for decimal notes even now. Similarly, £.s.d. coinage can be exchanged for decimals provided it is in multiples of 5c.

### SHINPLASTERS AND I.O.U.s.

Though banks are now to be found on almost every corner, they did not move into the outback of Queensland until quite late. In areas not serviced by banks, locals resorted to the old and tried, sometimes trusted, system of I.O.U.s. or promissory notes and more particularly of recent years, shinplasters and calabashes. These forms of currency are defined as follows:

An I.O.U. or promissory note is an unconditional promise in writing made by one person to another, signed by the maker, engaging to pay, on demand or at



SHIN PLASTER; still current in the 1930's.

a fixed or determinable future time, a sum certain in money, to or to the order of a specified person, or to bearer.

A shinplaster is a form of currency printed usually on poor quality paper, uniface, with a simple design or format and sometimes multicoloured. This type of note always gives the issuer's name, type of business, origin of issue and its value (e.g. 2/6, 5/-, 10/- or £1) and is dated and signed by the issuer or his agent. Generally this form of currency is only acceptable in and around the area of issue.

A calabash is another form of currency made of good quality paper, uniface, and most often elaborately designed and multi-coloured. These notes were similar to regular banknotes of the same period. Like shinplasters, they always gave the issuer's name, type of business, origin or place of issue and value (e.g. 5/-, 10/-, £1 or £5) and were signed and dated by the issuer or his agent. In addition, they gave the name and location of the bank or institution on which they were drawn, as well as alternative places at which they could be cashed. This form of note did a similar job to a shinplaster in supplying a type of paper currency, but a calabash was more secure and thus enjoyed a much higher acceptance and was used over a far greater area.

Apart from the risks mentioned earlier regarding I.O.U.s., locals had to contend with another prevalent act. Before certain issuers gave their shinplasters as change, often the paper was moistened and placed in the oven for a short while. This, of course, made the paper crisp and soon after little handling the note fell to pieces and freed the issuer of the need to redeem his note for cash or goods.

One particular area where shinplasters and calabashes were still current until the 1930's at least was Boulia, Queensland. This area is about 250 road miles from any place resembling civilization. Issuers who are known to have put out notes from this centre are Burnell and Jones, W. S. Jones, Howards Hotel and Wm. Fielding. However, it is not known how many different types and values of notes were used. I am quite sure other areas would have used this form of currency also, although information is lacking.

At present a book is being prepared to list and illustrate (if it is possible to locate specimens) all known types that were used from all areas in Queensland. Eventually it is hoped to include all of Australia. Accordingly, information

is sought by the writer on shinplasters, calabashes, private and emergency banknotes, tradesmen's tokens and allied forms of currency. It is felt that if this information is not recorded *now*, our remaining pioneers will take the facts to their graves with them.

To sum up — I hope it is quite clear that the system of currency in the early days of Australia was awkward, inadequate and at most times absent. This position, though not as extreme, was carried forth to the new State. Only after 1910-11, when the Commonwealth of Australia took over the full responsibility for the nation's currency needs, did sanity prevail.

There are many areas in which little or no information is available and any specimens, photos, newspaper or other contemporary reports brought to my attention will be faithfully recorded and lodged for all to see.